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Implementation of the outcome of the World Summit for Social Development

Operational activities for development

Social development, including questions relating to the world social situation and to youth, ageing, disabled persons and the family

Letter dated 18 November 1998 from the Permanent Representative of Viet Nam to the United Nations addressed to the Secretary-General

I have the honour to transmit to you herewith the text of the Hanoi Consensus on the 20/20 Initiative: achieving universal access to basic social services. This document was adopted at the recent meeting which was held from 27 to 29 October 1998 in Hanoi. The meeting was hosted by the Government of Viet Nam and co-sponsored by the Governments of Norway and the Netherlands with the participation of interested Governments, non-governmental organizations and multilateral development organizations to review and assess progress in implementing the 20/20 Initiative, as described in the Programme of Action of the World Summit for Social Development in Copenhagen and reconfirmed by the Fourth World Conference on Women in Beijing.

I would be grateful if the present letter and its annex could be circulated as a document of the General Assembly, under agenda items 37, 95 and 100.

(*Signed*) **Ngo Quang Xuan**
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Annex

Hanoi Consensus on the 20/20 Initiative: achieving universal access to basic social services

Introduction

1. At the World Summit for Social Development, held in Copenhagen in March 1995, agreement was reached on a mutual commitment between interested developing and industrialized countries to allocate adequate resources for the implementation of the Copenhagen Declaration on Social Development and Programme of Action. At the heart of the 20/20 Initiative is the shared responsibility between developing and donor countries to achieve universal access to basic social services of good quality on a sustainable basis, as agreed at the Social summit.

2. In 1996, interested countries met in Oslo to discuss the implementation of the 20/20 Initiative. The meeting concluded with the Oslo Consensus, a commitment to review and assess progress in implementing the Initiative after a two-year period. This review took place in Hanoi (Viet Nam) from 27-29 October 1998. The meeting was hosted by the Government of Viet Nam and co-sponsored by the Governments of Norway and the Netherlands. Participants came from 29 developing countries and 19 donor countries, as well as 11 international NGOs and 13 multilateral development organisations.

3. At the meeting, consensus was reached on the following:

An ethical and economic imperative

4. The meeting underlined that the goal of universal access to basic social services is based on ethical, legal and economic grounds.

5. In spite of the growing consensus that access to basic social services should be universal, millions of people, particularly women and children, continue to be deprived of basic education, primary health care (including reproductive health and population programmes), nutrition, and safe water and sanitation. The meeting agreed that the current economic and financial crises add to the relevance of the 20/20 Initiative to protect the access to basic social services of the most vulnerable people.

6. At the global level, the Initiative suggests an indicative allocation of 20 per cent of national budgets in developing countries and 20 per cent of official development assistance (ODA) to basic social services, in order to close the gap between current spending and the minimum level required to achieve universal access. The meeting agreed that it will be difficult for many countries to meet the goals identified at the Social Summit within the time-frame agreed to unless additional financial resources are allocated to basic social services and unless efficiency in resources use is increased. The meeting identified the 20/20 Initiative as

addressing the input dimension of the Development Partnerships Strategy of the Development Assistance Committee (DAC) in *Shaping the 21st Century: The Contribution of Development Co-operation*. At the country level, the share needed will vary, depending on country-specific circumstances.

7. The meeting reiterated the need to increase investments in basic social services in order to reach the goal of universal access. It emphasized that investing in a country's basic social services is investing in its future. Promoting access for all to basic social services lays the foundation for sustainable and equitable development and is a prerequisite for eradicating poverty.

8. The role of the public sector in ensuring universal access to basic social services was considered critical.

9. The meeting reaffirmed the need for a mutual commitment by developing countries and their development partners to give higher priority to basic social services and to translate this commitment into financial terms. Through such a partnership, universal access to basic social services can be achieved by all countries, even those with relatively low per capita income.

10. The meeting reiterated that achieving adequate provision of basic social services to the poor will not only require financial resources but also strong political commitment and a renewed emphasis on the quality, equity and efficiency with which services are provided.

11. The meeting recognized the need for greater coherence and consistency between macroeconomic and social policies of both the developing and donor countries. Without such coherence, macroeconomic policies may undermine the gains made as a result of greater social spending.

Progress since Oslo

12. In reviewing the progress made since the Oslo meeting in 1996, it was noted that awareness of the importance of universal access to basic social services has been raised. Thirty country studies undertaken have stimulated national policy debate. Statistics from several countries reflect the improvement in the monitoring of public spending and development cooperation on basic social services. National budget studies show that most developing countries and their donor partners spend less than 20 per cent of their budgets on basic social services. These studies also indicate that public spending on social services is not well targeted and that inefficiencies and insufficient coordination reduce its impact on social outcomes (see background document on the country experiences).

13. The meeting recognized that the difficulties developing and donor countries encounter in achieving the goal of basic social services for all stem, to a large extent, from lack of political priority and absorption capacity. These factors in turn result in an inadequate level and use of resources allocated to basic social services. It was emphasized that the context in which resources are spent is important. Special efforts are needed to more effectively reach the poor

and vulnerable groups, especially women, girls and boys. The institutional capacity is insufficiently developed to deliver quality services in an efficient, equitable and sustainable manner.

14. The meeting recognized that donor reporting on basic social services had improved, but reporting to the DAC is still insufficient to give an adequate picture of ODA in support of basic social services. National reporting systems are not always transparent or in line with international norms and definitions (see background document on better donor reporting).

15. The meeting recognized the importance of Consultative Group and Round Table meetings in addressing universal coverage of basic social services. Public expenditure reviews have been shown to be useful instruments for exploring issues of financing and delivery of basic social services. These examples, however, are still too few.

16. The meeting recognized the special efforts made by the NGOs since the Olso meeting in disseminating information and monitoring the level of resources allocated to basic social services at the national and international levels.

17. The meeting noted that the United Nations Inter-Agency Task Force on Basic Social Services for All has prepared guidelines for expanding the coverage of basic social services and strengthening data collection and monitoring.

Hanoi and beyond

18. The meeting emphasized that the right of each and every individual to have access to basic social services is in conformity with the Universal Declaration of Human Rights, the Convention on the Rights of the Child and other relevant international treaties as well as outcomes of international conferences. Global goals and targets agreed on at world summits and international conferences held in the 1990s, and restated by the donor community in the DAC Partnerships Strategy, also imply consensus on the right to universal coverage of basic social services. The meeting encouraged governments to take advantage of these legal and other instruments to promote and achieve this goal.

19. The meeting emphasized that developing countries should take the lead and initiate concrete steps to expand the coverage and improve the quality of basic social services. It called for flexible and country-specific approaches in the implementation of the 20/20 Initiative. To some countries, specific threats such as anti-personnel landmines and the HIV/AIDS pandemic constitute a heavy burden on their basic social services, making assistance in this are all the more important.

20. The meeting recommended closer collaboration between developing country governments and civil society, the private sector, donor countries and multilateral organizations to ensure that adequate financing for basic social services is available and that these resources are used in an efficient and equitable manner. Donor countries and multilateral organizations should actively strive to respond to the need for financial resources in order to expand the coverage

and improve the quality of basic social services, and they should make efforts to spend at least 20 per cent of their ODA on these services.

21. The meeting urged developing countries to continue their efforts to monitor and analyse the level, equity, effectiveness and efficiency of budgetary spending on basic social services and ensure that budget allocations are translated into actual expenditures. Bilateral donors and multilateral development organizations expressed their willingness to continue their support in this regard. Multilateral organizations presiding over Consultative Groups, Round Tables and similar meetings should promote agreement on the financing of basic social services according to the 20/20 Initiative, and should provide adequate background documentation. All actors were encouraged to give adequate attention to capacity building at all levels, especially the local level.

22. The meeting agreed that the collection and analysis of relevant information on social sector expenditure and its outcome is of critical importance in order to design and implement social policy reforms to ensure that everyone, including women, girls and boys, has access to basic social services of good quality. It was agreed that specific institutional mechanisms should be clarified and operationalized by governments of developing countries to regularly coordinate and monitor spending on basic social services within national and aid budgets. Donors could support this activity through comprehensive reporting on aid flows. The meeting called upon UNDP to produce Development Cooperation Reports that highlight external assistance to basic social services at the country level, using data collected through the Creditor Reporting System supplemented with information collected locally.

23. In an effort to improve the coverage of the Creditor Reporting System on basic social services, the meeting invited DAC to consider the recommendations of the study on donor reporting prepared for the Hanoi meeting. The meeting urged DAC to prepare a report on donor support for basic social services using both data reported by its members and the assessment of efforts in peer aid reviews and present this report to the preparatory meeting for WSSD+5.

24. The meeting encouraged all partners to assess the national and external resources requirements as well as identify policy reforms needed to enhance the equity and efficiency of public spending for achieving universal coverage of basic social services. These issues should be included as a regular feature on the agenda of appropriate fora and instruments for policy coordination, in particular Consultative Group and Round Table meetings, sector investment programmes, national human development reports, public expenditure reviews and structural adjustment lending. Such processes should be transparent and involve civil society. The meeting suggested that Consultative Group and Round Table meetings should be held in-country.

25. The meeting agreed that achieving universal access to basic social services will require translating the commitment and shared responsibility among developing and donor countries into concrete financial terms and action. The meeting noted that the attainment of this goal is of mutual benefit. The meeting considered that existing mechanisms, such as sector

investment programmes, sector-wide approaches and sectoral round table meetings, could form the basis for the development of such mutual agreements. The meeting recognized the urgent need for such arrangements as millions of people remain deprived of their right to basic social services, or are at risk of losing their access.

26. The meeting called upon governments to reform their budget processes, if necessary, and restructure their budgetary allocations (as well as implementation) to ensure that basic social services receive high priority. Governments and donors were encouraged to better protect resources for basic social services against the impact of economic turmoils. In the formulation and implementation of structural adjustment programmes, adequate attention should be given to the social aspects, including to social safety nets.

27. The meeting recognized that, for the heavily indebted poor countries, debt servicing presents one of the main obstacles to development, and urgent action is needed to alleviate the debt burden of these countries. The meeting welcomed existing initiatives for debt reduction and called for additional efforts to grant early and deep debt relief and forgiveness in favour of the allocation of extra resources to basic social services.

28. The meeting encouraged non-governmental and community-based organizations to continue their advocacy and dialogue with governments and multilateral development organizations to promote greater accountability and participation and more effective targeting of basic social services for the poor. Examples of best practices in the design and delivery of these services should be better shared among governmental and non-governmental providers. Governments were encouraged to welcome a dialogue with the NGO community on the strategies, programmes and funds required to provide basic social services to all.

29. The multilateral development organizations were requested to examine their programmes of cooperation with the countries concerned to ensure that basic social programmes receive higher priority. Greater emphasis should be given to capacity development for planning, implementing and monitoring basic social programmes and for aid management and coordination. Multilateral organizations are encouraged to provide DAC with relevant information and data regarding their spending on basic social services.

30. The meeting called upon donor countries to make every possible effort to allocate more resources to basic social services in response to the needs expressed by developing countries to reach the target of 20 per cent. Donors were reminded of the need to continue striving for the fulfilment of the 0.7 per cent of gross national product for overall ODA as soon as possible. All necessary steps should be undertaken to make ODA spending in support of these services more transparent at the national and international levels.

31. The meeting agreed that the Hanoi Consensus and the objective of achieving universal access to basic social services should be presented and promoted in relevant international fora, in particular at follow-up meetings to the Social Summit, such as the Special Session of the United Nations General Assembly to review the implementation of the Copenhagen Declaration on Social Development and Programme of Action. The preparatory process of

the Special Session should consider reports by the World Bank, UNDP, UNICEF, UNFPA, DAC and other multilateral organizations on the various dimensions of the implementation of the 20/20 Initiative. The meeting called for continued monitoring of the Hanoi Consensus in Consultative Group and Round Table meetings, sector investment programmes, donor reporting through Development Cooperation Reports of UNDP and the Creditor Reporting System of the DAC, and debt relief for basic social services.